AFTER RECORDING RETURN TO: BAILEY, DUSKIN & PEIFFLE P.O. Box 188 Arlington, WA 98223



UTILITY EASEMENT

GRANTOR:

M3 Financial Management LLC

GRANTEES:

City of Arlington

LEGAL DESCRIPTION

(abbrev.):

The property commonly known as 18825 67th Ave. NE,

Arlington, WA 98223-8941 See below for complete legal

description

TAX PARCEL ID#:

31051400302700

The parties hereto are M3 Financial Management LLC ("M3"), and the City of Arlington, Washington (the "City").

RECITALS

1. M3 is the owner of certain real property known as 18825 67th Ave. NE, Arlington, WA, legally described as follows in the Records of Snohomish County, Washington (the "M3 Property"):

Section 14 Township 31 Range 05 Quarter SW - LOT 1 SURV REC UND AFN 7905290175 BEING CORR OF SURV'S REC UND AFN 7703210221 & 7803100289 & BEING A PTN OF SW1/4 SW1/4 & EXC W 10FT SD LOT 1 FOR R/W TO CITY OF ARL PER SWD REC UND AFN 9310150362 & EXC ADD'L R/W TO CITY OF ARL PER SWD REC UND AFN 200201110164

2. M3 desires to grant the City a utilities easement across the north 15 (fifteen) feet of the M3 Property for the benefits it will derive from the extension of utilities.

CONSIDERATION



The consideration for this easement is the mutual benefits derived from the terms and conditions stated below.

TERMS AND CONDITIONS

1. Conveyance. M3 grants and quit claims to the City of Arlington, and to the utilities which may obtain permission from the City of Arlington to use its rights of way and easements, a perpetual and non-exclusive easement for underground utilities and utility lines (the "Utilities") over, under, and across the northerly fifteen (15) feet of the M3 Property, and legally described as follows (the "Easement"), for the purpose of the construction, operation and maintenance of the Utilities:

Easement Area:

The North 15 feet of Tract 1 of the Revision Arlington Industrial Complex Survey as recorded under Auditors File No. 7905290175, records of Snohomish County, Washington.

Except any portion conveyed to the City of Arlington for 67th Ave N.E. right of way.

An addendum to this Utility Easement shall be recorded upon actual construction of said Utilities on the M3 Property, which addendum shall describe the exact as-built location of the Utilities.

- 2. Construction. The City shall be solely responsible for the costs of installing the Utilities. The City shall use best efforts to minimize disruption of the quiet enjoyment and use of the M3 Property by M3 and its tenants and invitees during the construction and installation. The City shall indemnify and hold M3 and its tenants, officers, agents and invitees harmless from any costs and expenses to the extent such costs and expense arise or result from the construction, operation or maintenance of the Utilities.
- 3. Binding Effect. The covenants and obligations contained in this Utility Easement are not personal but shall run with the land and be binding upon and inure to the benefit of the respective heirs, representatives, transferees or successors in interest..
- 4. Captions The captions and paragraph headings contained in this Utility Easement are for convenience and reference only and in no way define, describe, extend or limit the scope of this Agreement, nor the intent of any provision hereof.
- 5. Governing Law. This Utility Easement shall be governed by and construed in accordance with the laws of the State of Washington.
- 6. Recording. This Utility Agreement shall be recorded in the real property records of Snohomish County, Washington.

7. Attorney's Fees. If any suit or other proceeding is instituted by either of the parties to this Utility Easement arising out of or pertaining to this Utility Easement, including but not limited to filing suit or requesting an arbitration or other alternative dispute resolution process (collectively "Proceedings"), and appeals and collateral action relative to such suit or Proceeding, the substantially prevailing party as determined by the court or in the Proceeding shall be entitled to recover its reasonable attorneys' fees and all costs and expenses incurred relative to such suit or Proceeding from the substantially nonprevailing party, in addition to such other available relief.

IN WI	TNESS	WHEREOF,	the	parties	have	executed	this	Utility	Easement	this
25th	_ day of _.	Septem	60	<u> </u>	, 200	07.		-		

GRANTOR:

M3 Financial Management LLC

By: Wille Th. Bower Its: Partner

GRANTEE:

City of Arlington, Washington

STATE OF WASHINGTON)
: ss COUNTY OF SNOHOMISH)
On this day personally appeared before me <u>Michie</u> , to me known to be the individual described in and who executed the within and foregoing instrument on behalf of Mid-Mountain Materials, Inc., and acknowledge that he signed the same as his free and voluntary act and deed for the uses and purposes therein mentioned.
GIVEN under my hand and official seal this 35 day of 5 pt , 2007.
NOTARY PUBLIC in and for the State of Washington, residing at
My commission expires: Sot 10,2008 Name: Carola beard Orsent-01-60/1/4
STATE OF WASHINGTON)
COUNTY OF SNOHOMISH)
On this day personally appeared before me Margaret Largorium, to me known to be the individual described in and who executed the within and foregoing instrument on behalf of the City of Arlington, Washington, and acknowledge that he signed the same as his free and voluntary act and deed for the uses and purposes therein mentioned.
GIVEN under my hand and official seal this 23 day of September, 2007.
M. RUSKO NOTARY PUBLIC in and for the State of Washington, residing at
Artington My commission expires: May 11, 2012 Name: Army M. Rusko Notary AUBLIC A